



THOMAS L. GARTHWAITE, M.D.  
Director and Chief Medical Officer

COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES  
313 N. Figueroa, Los Angeles, CA 90012  
(213) 240-8101

BOARD OF SUPERVISORS

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November 17, 2005

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**REQUEST TO ACCEPT COMPROMISE OFFER OF SETTLEMENT  
(ALL DISTRICTS AFFECTED - 3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

Authorize the Director of Health Services or his designee to accept the attached compromise offer of settlement, pursuant to Section 1473 of the Health and Safety Code, for the following individual account for a patient who received medical care at a County facility:

(1) Account Number LAC + USC - 2989992 \$156,000

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:**

The compromise offer of settlement for patient account (1) is recommended because the amount is the highest amount that could be negotiated with the patient's insurance (Commercial or HMO) under the circumstances of the case, and receipt of such insurance proceeds prevents further collection from the patient, except for possible beneficiary coinsurance or deductible obligations.

The best interests of the County would be served by the approval of this compromise since it will enable DHS to maximize net revenue on this account.

**Implementation of Strategic Plan Goals:**

The recommended action will satisfy County Strategic Plan Goal #4, Fiscal Responsibility.

**FISCAL IMPACT/FINANCING:**

This will expedite the County's recovery of revenue totaling approximately \$156,000.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

On January 8, 2002 the Board approved an ordinance granting the Director of Health Services (Director) authority to reduce patient account liabilities when it is in the best interest of the County to do so. The ordinance was adopted by the Board on January 15, 2002.

Under County Code Chapter Section 2.76.046, the Director has the authority to reduce patient account liabilities by the greater of i) \$15,000, or ii) \$75,000 or 50% of the account balance, whichever is less. Any reduction exceeding the Director's authority requires Board approval.

The compromise of this account is not within the Director's authority, so the Director is requesting Board approval of this compromise.

**CONTRACTING PROCESS:**

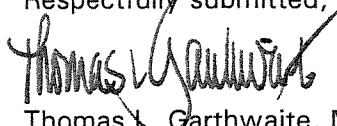
Not applicable.

**IMPACT ON CURRENT SERVICES (OR PROJECTS):**

Maximizing net revenues on this account will help DHS meet its budgeted revenue amounts.

When approved, DHS requires three signed copies of the Board's action.

Respectfully submitted,



Thomas L. Garthwaite, M.D.  
Director and Chief Medical Officer

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**Attachments**

- c: Chief Administrative Officer
- County Counsel
- Executive Officer, Board of Supervisors

## DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 1  
DATE: November 17, 2005

<b>Total Charges</b>	\$244,835	<b>Account Number</b>	2989992
<b>Amount Paid</b>	\$0	<b>Service Type</b>	Inpatient
<b>Balance Due</b>	\$244,835	<b>Date of Service</b>	06/17/2005-07/30/2005
<b>Compromise Amount Offered</b>	\$156,000	<b>% of Charges</b>	64%
<b>Amount to be Written Off</b>	\$88,835	<b>Facility</b>	LAC+USC Medical Center

### JUSTIFICATION

The above compromise offer of settlement is the highest amount that could be negotiated with the patient's insurance (Commercial or HMO) under the circumstances of the case.